blocking EU plan to reunite Mostar




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Venezuola's dopt falas: Work to redace after the implementation of am eccunomic plan ricket- Eagiand endod the fourth day of the fins


States withtold funds to meet Maastricht targets

## EU nations

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## Swissair <br> $\qquad$


#### Abstract

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UN environment chief under
pressure not to seek new term By Leyla Boontion, Enmironment. ance, the US and the UK coolla ought to be the trailbbazer on the



Michael Prowse<br>Sport<br>Olympics, plus<br>horse racing<br>agos 4,12

# Bildt deputy says small group of extremists blocking effort to reunite city Envoy attacks Mostar's Croat 'mafiosi' 






## Leaders and laggards in EU regional aid stakes

European Commission survey provides an insight


## Czech church property prompts unholy row

Vincent Boland reports on a contentious plan to return land confiscated by the Communists


Turkish hunger strike called off as government caves in



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NTERNATOOMLL NEWS DIGEST

## Madrid tries to

 calm nervesSpain's new centrerright goveroment strove over the welsend Spains new centrenigat governurkets that the country remained on track sor European monetary union, anter
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No extension of EU duty-free The European Cammission will annoumce today that it has
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Travel operators and retailers have lobbied visorously for a



 Call for Liberia elections The Economic Community of West African States pagreed at
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sanctions or elections.

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Rtval Liberian leaders were split yesterday on the elections


Japanese pledge to Vietnam Japar 's foreseg minister, Mr Yokihiko Ikeda, yesterday
wrapped up a twoday visit to Vietnam by promaising suppoon for the country's enty Intot the Asia Paciitic Economic
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 Mr Tran Duc Luong He also witwessed the siening of several nofthern Vetuam
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South Koreans die in floods
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Moment of truth for N-test pact


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## Doubts afflict UN conscience on environment

By Leyta Boulton,


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US learns to lo live with home-grown terror

 Argentina's new economy
chief pledges continuity inroads into public debt


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Agreement on gold sales still eludes G7

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Sydney seeks to learn from Atlanta agony

## ATLANTA OLYMPICS

## Roba rules the road

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Russians lose medals for doping

win a marathon at
the Olympic Games



## Two Germ



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By Robert Taylor,
Employment Eatior

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## Team player Leschly likes to prove a point

 A competitive streak makes the head of SmithKline Beecham a tough opponent, writes Daniel Green
## $\mathrm{x}=8$



Sunbeam feels the heat as Duniap makes his move



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Stephanie Flanders • Economics Notebook
The work-wages puzzle persists
Countries may not have to live with higher inequality to create more jobs







## We're good

 to wood

Only $12 \%$ of the World's production of wood is used in papermaking.




Poetry is one component of Boeing's strategy to avoid complacency, explains Michael Skapinker

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 Airbus. however, has managed to
win a third of the aircraft market

Workers' ideas taken on board



## Dealing with the Popo problem



BUSINESS EDUCATION

Conner Middelmann visits a training ground in Reading which hopes to produce tomorrow's financial wizards

## Practising for a secure future



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Amon Cohen says the industry estimates there are now more than 5,000 travel－related Web sites







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## Sleepless night from hotel bill <br> Sleepless ni bill

Scheherazade Daneshkhu looks at the high cost in Europe of staying away from home

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## Digital sleuth crosses Atlantic






















## 'Your newspaper is ready now

The electronic Daily Me is no longer a pipe-dream, says Victoria Griffith

## Tim Jackson <br> Juno hints at shape of things to come

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Colin Amery－Architecture

Time for London to reach for the sky

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## A clash of personalities   <br>     




## Lifeblood from transplants

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A revolution in British manufacturing has been heavily influenced by Japanese groups such as Nissan, says Stefan Wagstyl

\section*{Saving the test ban treaty <br> 

## The Mackay revolution

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Monday July 291996

Limited benefits for employment and trade

## Emu would offer＇only modest gains＇to Ireland



## Indonesia sends in troops to

 suppress political violence


Belgrade hires UK PR group to advise on image

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SBC Warburg shakes up its corporate list


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By Motoko Rich
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its remaining US
operations on Wedmesdoy



Even before it has made a formal offer，Hays is talking of a hostile bid

## Salvesen chief prepares for battle

| $\left\{\begin{array}{l}\text { By Jane Martinsson } \\ \mathrm{Mr} \text { Chris Masters，chief }\end{array}\right.$ |  |  |  | Spechise hio hainas．to |
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| from the information we have that this is in the longterm interests of our sbareholders．＂ |  |  |  |  |
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## LGT on the money－go－round

Small fund managers may not be headline stuff but they are still making news，writes William Hall



| ABN Amro <br> plans Asia <br> branch <br> network <br> varmaine |
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Porsche sees sales improvement











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Neste loses on crude oil trades



 Crude oil tradng accourts for about to per eant of Neste＇s

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of the $\operatorname{sear}$.

One－off charges put Molson in the red


## leutiche Bank whs to restructur

## COMPANIESAND FINANCE <br> Rhône-Poulenc posts $39 \%$ rise

| By David Owep in PerisRhone-Povlenc, the Frenchchemicale and drugs groun | Prafie EHONE-POULEE |  |  |
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## Fininvest unveilsreshaped board

| By Andrew Htill in Mian | vest's new ro | to alo ammounced a | aiming to return Standa to |
| :---: | :---: | :---: | :---: |
| Mr Silvio Berlusconi'e eldest | a holding company ter ste |  | Ereakeven by the end of 1907. |
| dauchter Martas, 29 was yean | .iaries: Mexiaset; the recent | loss of L77.8bn in 1994 . The | 15 per cent in 1995 to 1378.56 n |
| ent to the former Itral | d | 19995 resplit was boosted by | because of the musatisfactory |
| mier's media, \#nance, | business; Mondadori | Lil, 188 bn fram the first stage of | termover of Lil,ossbn, against |
| and retail empire when she | lisher, and Standa, the re | the partial sale of Mediaset, | L |
| was named deputy chatiman of | Frininvest denied | and LL528bn from the sale | - |
| Fininvest, the private fa |  | commercial and property activ. |  |
| baldimp company. ${ }_{\text {Mr Prede }}$ | at distancing some direck, | ities of Kuromercato, the | Healian paytelervision company, |
|  | gation as part of th | Fininuest's tax charge also | Kirch, the German media |
| Fiminvest, said Ms Berluscon's | mg probe by Milan's ant | increased shapply to $\mathrm{LI}, 0577 \mathrm{~m}$, | groum, sold part of its holding |
| presence was testrany to the |  | againt tix extrandidinary profits. | to Nethold, controlled by |
| role of the family owners" | remains chairman of Medie | The group confirmed that | The sale followed Exirch's |
| within | was replaced by Mr Al | the recent Ifotations of Medi- | urchase earlier in the month |
| Ms Berlase |  | aset - which reduced Fin- | m |
|  |  |  |  |
| both children from Mr $B$ |  |  |  |
| coni's first marriage. |  |  |  |
| already on the Finiuvest board. | Emmio Doris, chie | no debt at the end of this |  |
| The groug satd it had | Mediolanum, is the fitth ${ }^{\text {? }}$ | compared with ri,, estan at the | Fincinvest owns the remaintug |
| d down the loard to fit | invest director. | end of 1996. Frninvest is also | 10 per cent. |

The French goverọment's rescue ackage is unlikely to please everyone


Spanish construction groups in alliance

By Tom Burns in Mactid Spain's two biggest construc.
tion compaxies. Fond tion companies. Fomento de de Constractiones, hragados y
on a stratege allance which
 of Prazzobn The deal focos initially
 transer their a
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Anulsts said the new com-
pany would beneetit from Drapuny would benestin frow experi.
Endos's international exte. particularly in Latio ence. particularily in Lation cash
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Tre Bond of Drecons
financiar times monday july $2919 \%$

Global Investor / Peter Martin

## The Nifty Fifty ride again


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## Telecoms sector if the limelight


the limelight
Market ponders Buba while waiting for the Fed


SBC Wariburg in London note

FINANCIAL TTMES MONDAX JULX 291996


MARKETSE This Week






## Coppr has somelling to prove

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## PARIS






## CONSULTANCY SERVICES <br> REQUIRED AT THE STATE BANK OF PAKISTAN









 area of Problem Bemit Mmanegmenent is lleo required 3. OVERALL DESIGN OF AN ORGANISATIONAL STRUCTURE AT THE SBP, FOR
MPROVED SUPERVISION, AND EXAMINATION, OP FINANCEAL INSTTIUTIONS IN MPPROVED
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ERTE
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AUTOMATON OF MANAGEMENT NFORMATON SYSTEMS



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Eipressioss of indersst or requests for addarionel information must be received within twenty-one dhys
RA Chughas, Erecotive Director;


Budget sends Bombay south

| south this Erst budget |  | tmmediate reaction，was the frmposition of a tresh＂mini． |  |  |  |  |  |
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|  |  | would be permitted to issue |  |  |  |  |  |
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|  | S Congress | cent of their paid－up capital |  |  | on interest rates，which have |  |  |
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| only a smal |  | rial accountabilitit to share |  |  | ment pressure on availsble funds． |  |  |
| ， |  | bolders and worry tbst ifforthconding guidelines for |  |  |  |  |  |
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| taxes，spen |  |  |  |  | tive new bond issues．This， |  |  |
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|  |  | deficit from last year＇s 5.9 per |  |  |  |  |  |
|  | gica |  |  |  | hase helped leave tbe momen，tam forIndian equities almost |  |  |
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| had its eyes |  | believe the target will be met． argoing by previous example that spending is likely to over－ |  |  |  |  |  |
|  |  | shoot his target，while suggest－ ing Rs50bn in state disinvest－ meots may be beyond his |  |  | s2bn since January had，almost singlehandedly，pushed up aSensex languishing st 2,800 |  |  |
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| Na baring securities emerging markets indice |  |  |  |  |  |  |  |
| modex | $28 / 185$ |  |  | on |  | Yeas to date movement |  |
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|  | ，115．31 | － 3.258 |  |  |  |  |  |
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| so |  | ${ }_{-1,18}$ | － 5.38 | ． 06 | ． 51 | 34 | 8 |
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US/Japan semiconductors US and Japanese trade neegotiators start teach an apreement over sememteonductors
 kind of coopperative arrangement should
replace an accord lauded by the US as a nodel for futurre tradedee pacts but masigned y Japan as sanctioning managed trade. heatreement has for ced Japan to ensum
nat tree foreitm share of its semiconducto
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Blair reshuffles his tea Tongs Blair the leader of the UK
 fftwing transport spokeswoman and astalled the ultra-loval Andram Sminth in
 ikely to give more responsibility to rising prepare them for iobs in a Labour
gooenoment. Full delajis of the resbuffle
nay not be released until later in the

Brisbane fisheries congress


Nucise mia starts in Brisisane
stere about 900
scientists and
academics from scientists and
academis fom
more than foo
conutien will Eyather to discuss expected to focusu on sustainability ane and ishing pressures contioue to mount.
nuclear test ban treaty Ne 61 members of the United Natlons give their verdict on a draft nuclear te an treaty. In June, negobiators were ooditions for the pact to enter into force na the regme for onsite inspections his raft can be agreed this week, enabling Ne treaty to og forkward for signing at the
Neneral Iusembly in Seplember. India geneal asembly in september. india.


Finance mimisters in Chlle Eduardo Aninat, Pedro Malan and Chide. Braril and Mexicon respectivelty of
address a seminar in Santiago. They will rresent economic forecasts for their
countries and talk about business opportunities in Latin Anterica. Chile's


Pubilic holidays

\section*{| Li Lanka. Netherlands Antilles, Peruı |
| :--- |
| TUESDAY |}

G7 conference on terrorism Froeign and interior ministers from the
Group of Seven industrial countres, and Russia, meet in Paris to try to put forwari
recommendations for combating terrorism Theommendations for comatitg terroriss
The meeting may gain a greater sense of urgency in the light of recent bomb


 agenda. it is ivelel to genenate more
conordination on drug traftecking and
organised crime.

US employment data awaited Cinancial markets are eagerly awalthg
the release of the US employment cost

 and





Final blds for MoD homes Fininl bidst must ber received for the 58.000
homes in the Ministry of Defence maaried quarters estate Defence chieff hope the pivatisation will raise between 51.5 bn an
s.2bn The shorlisted bidders are groups
 led by British Land, the UK property
company.ing, the Dutch Anapcial
ingtutution. Nomura, the Jppanesese institurion Nomura, the JJpanese
sexution house and a consortum
conviter consisting of Ledman Prothers and
Bankers Trust, the US investment banks.

US Adminal Leighter steps down
 replaced by vice-Admiral Josesh Lopeez,
the depputy chief of naval operations in th

return this week to former Yugoslavia.
Nato mandate up for renewal
Nato manciate up for ren
The deadinne expines for Turkey's
parliamentrat to renew the mandite f
 tion Provide Comfort beegn after the G Gul


 pressuran from the US and the Truxish
pilitrary to allow the flights to continue.

Bangladesh president vote
Leaders discuss Burundi Presidents Benjamin Mkgapa of Tanzania
and Yoweri Miseveni of Uganda meet min
Arusha Thnana to Arusha, Tanrania, to discuss action about
tast week's Tutsi coup in Burundi. The Tast week' ' Tutrsi coup in Burundi. The
two have condenned the verthrow of
Hutu president Hut president Sylvestre N Nibantunganya
hut have stopped short of calling for his
restoration Possible a action against the

 countitises' road and railway linis for
imports and exports. Diplomamats say
agreement betwen Arican leades is
 crucial to the lobal response, and without
it Western countries will have an excuse
to avodd action.

Colombian drug baron free

federal deputies are rumailiz.




Public holidays
Benin, Bermuda Nicarasua. sminzerland.

## FRIDAY:

BT responds to Ofte
 ore the UK telecommunications ind on

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condition - which might triger condition - Which might triger BT's
rejection. This would orconel to
the issue to the Monopolies and Heryere

Public holidays
Bermuda, Cook Islands. Costa Rica.

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SATURDAY .].].]
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Bowns
Women's world championstips.
Salling
Cowes Week, Isle of Wight, England II
Aug 10).
Publlic hofldays
SUNDAY 4
Olympic marathon ends

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other economic new Monday: Japan and the US are
ikely to be in the spotlige Wis week, with fresb economi
ata providing clues about Jends there.
 Tuesday: Japan's unemplop-
meni daad sould sow litie
shanse althourch some econo mistse hope hourg some econo
have edtyed down rate will
siet have edsed down slightly
Juwe ednesday: Japan's
srruction and housing data
s.

 companies will be closely
watched ior any binis of Thurscay: A feast of is date
will have the markets on edge
todat: The ESS scond quarter
 Maniuy
Meatwbile. July's surcey

 ures are forecasil to
iher strons growth.

| ${ }^{p} \mathrm{pmom}$ | county | EeonomicStatistic | Statistics to be |  |
| :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | $\begin{aligned} & \text { Pranions } \\ & \text { Actural } \end{aligned}$ |
| Mon | Japan | Jemene whs prinind (2nd 10 days) | - | 0.14 |
| Juy 29 | Japan | Juno hadestriep productiont | -1.7\% | 2.440 |
|  | Japan | June shlpmentst | - | 2.6\% |
|  | UK | Jume consumex erndt | E750m | ¢ ¢94m |
|  | tay | Juns hount wagos | 4.0\% | 4.0\%\% |
|  | Baxtiom | Juy consummes price index' | 0.4\% | $0.0 \%$ |
|  | Begalum | Juy consumer price hadex- | 1.8\% | 7.8\% |
|  | Spann | $0_{2} 2$ quartarty unemployment | 22.5\% | 22.9\% |
|  | Aus.a | Unma curant account Sta | -1.8 | .2.15 |
| Tues | depan | June unempobymen raxe | 3.4\% | 3.9\% |
| dil 30 | Japan | June pob ofters/2eokers raso | 0.7\% | $0.60^{905}$ |
|  | us | Mrsubshu urdax | $\cdot$ | $0.3{ }^{36}$ |
|  | us | June new home sales | 780 k | 82ek |
|  | us | Juy consumer confience | 99.0 | 9:. 6 |
|  | Franco | May trade balancot | FFrim | Fro.sbn |
|  | Smoden | June trode balance | Shni2bn | SK/12.4bn |
|  | Ausba | June buididing approvals | 0.5\% | 1.7\% |
| Wed | us | Juy Cricage NAPMT | 54.0\% | 53.35 |
| July 31 | us | Jufy aymulure pitces | . | 7.248 |
|  | Japan | June construction orders- | - | -8.68i |
|  | Jepan | June nousmy stans- | 19\% | 18.190 |
|  | Japan | June constuctoon stars- | $\cdot$ | 21.5\% |
|  | Franoe | June unemployment ratot | 12.49 | 12.49 |
|  | France | June ipbeeterst | 0.68 | 1.0\% |
|  | Cannda | May real GDP - lacto cost |  | 12\% |



MONDAY PRIZE GROSSWORD



Good-bye battery


Welcome to the future: Seiko kinetico, the first quarty watch that turns your movement into power. Every move you make is converted into cological, refiable and efficient: wear it one day to gain energy for at least two weeks. Wear it daily - It will run continually. Made of titanium eht, yet strong and kind to your skin. 20 bar crew lock crown. Seiko Kinetic - it's built end screw lock crown. Seiko kinetic - it's built to last.

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